



STATE OF WEST VIRGINIA
OFFICE OF THE ATTORNEY GENERAL
DARRELL V. MCGRAW, JR.
CONSUMER PROTECTION DIVISION
1-800-368-8808 or 304-558-8986

Press Release

August 3, 2006

FOR IMMEDIATE RELEASE

CONTACT: DOUGLAS DAVIS

304-558-8986

1-800-368-8808

SHELBY INSURANCE POLICY HOLDERS WILL SOON BE WITHOUT COVERAGE

Shelby Insurance Company was placed in receivership and ordered liquidated by a Texas court on Tuesday, August 1, 2006, triggering a claims process that will involve thousands of consumers around West Virginia. The Texas-based company, Shelby Insurance, is a subsidiary of Vesta Insurance Group. Vesta Insurance Group has been in rehabilitation under Texas insurance law since June 28, 2006.

"Recently, my office has been flooded with calls from consumers who have received notices in the mail that their policies were going to expire August 23, 2006. I felt it was very important that consumers know that there is a process in place they can use to request a refund for claims and unearned premiums," stated McGraw.

According to the West Virginia Insurance Guaranty Association, West Virginia consumers must first file a claim with the liquidator appointed by the Texas court. The contact information for the liquidator is:

Craig Koenig
Prime Tempus
27310 Ranch Road 12
Dripping Springs, TX 78620
Telephone 512-894-3705
Fax 888-286-9458

After the claim liquidator in Texas reviews the claims, claims from West Virginia will be returned to the West Virginia Insurance Guaranty Association for processing. According to the West Virginia Insurance Guaranty Association, claims will start being paid about one month after they are received.

Refunds of unearned premiums generally take much longer since they are paid after all active claims have been processed and paid. Consumers should also expect to receive only a pro-rata portion of the unearned premium. For further information, contact Attorney General Darrell McGraw's Consumer Hotline at 1-800-368-8808 or visit the following websites:

West Virginia Insurance Guaranty Association - www.wviga.org

Texas Department of Insurance - www.tdi.state.tx.us

Texas Property and Casualty Insurance Guaranty Association - www.tpciga.org

###